

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7514

BILL NUMBER: HB 1788

NOTE PREPARED: Jan 16, 2003

BILL AMENDED:

SUBJECT: Technology Credit; Sale of Tobacco.

FIRST AUTHOR: Rep. Hasler

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED:

**GENERAL
DEDICATED
FEDERAL**

IMPACT: Pending

Summary of Legislation: The bill creates the Emerging Technology Grant Fund to be administered by the Department of Commerce. The bill appropriates \$5,000,000 to the Fund. The bill requires the Intelenet Commission to establish an Internet portal to assist technology oriented entrepreneurs in the development and marketing of technology products and services. The bill also establishes a Technology Commercialization Tax Credit against state tax liability.

The bill provides that a cigarette distributor who has five consecutive years of good credit standing with the state is not required to post a bond as a condition of paying for revenue stamps within 30 days of the purchase date. The bill prohibits a distributor from affixing a tax stamp to a cigarette package containing cigarettes from a tobacco product manufacturer that has not complied with the master settlement agreement. The bill specifies that the Alcohol and Tobacco Commission shall enforce the Cigarette Fair Trade Act. The bill requires the Consumer Protection Division of the Office of the Attorney General to maintain a cigarette listing containing the names of all cigarette distributors that hold a registration certificate and all tobacco product manufacturers that are in compliance with the tobacco settlement. The bill makes it a Class C infraction for a retailer to possess cigarettes without an invoice or other evidence that the cigarettes were purchased from a legitimate distributor or manufacturer, and permits the state to seize undocumented cigarettes.

Effective Date: July 1, 2003.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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